

September 4, 2018

COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Council-Manager Form of Government

Regular Meeting – 6:00 PM

● **ROLL CALL**

PRESENT: Martinez, Stephens, Summers, Troxell, Cunniff, Horak
ABSENT: Overbeck
Staff Present: Atteberry, Daggett, Coldiron

● **AGENDA REVIEW: CITY MANAGER**

City Manager Atteberry stated Item No. 9, *Second Reading of Ordinance No. 114, 2018, Amending Article 3 of the Land Use Code Regarding Buffering Requirements for Development in Relation to Oil and Gas Facility Locations*, has an amended Ordinance that incorporates language to enable automatic adjustments to match the changes approved by the Colorado Oil and Gas Commission resulting in more protective buffers. If Councilmembers do not agree with the proposed changes, the item should be pulled from the Consent Agenda.

● **CITIZEN PARTICIPATION**

Scott Horak questioned whether the City is ready for Roe vs. Wade to be overturned. He claimed abortion services are illegal within city limits and discussed citizenship.

James Murphy discussed the new stoplight at Magnolia and Shields which enables pedestrians and bicyclists to cross. The light will negatively impact his regular driving routes and will increase traffic in the alley behind his home. This should not be completed without citizen input.

Jack Armstrong opposed the proposed new crossing at Magnolia and Shields, stating it will anger drivers and the project should not be completed without citizen input.

Alex Krausz thanked Martina Wilkinson, Tessa Gregor, and Mayor Pro Tem Horak for meeting with him, but opposed the proposed new crossing at Magnolia and Shields and requested Council pause this project until citizen input can occur.

Joan Robinson requested the City install more pickleball courts.

Hannah Little thanked Council for its National Recovery Month proclamation.

Mary Alice Murphy stated pickleball cannot be played during open gym hours at the Atzlan Center or the Senior Center.

Shana Ryken thanked Council for its National Recovery Month proclamation and stated the community is at a critical point in terms of stretching limited resources addressing mental health and substance abuse. She expressed support for a November ballot issue supporting local initiatives to aid in substance abuse treatment.

Clarence Ehlert stated pickleball is the fastest growing sport in the country and opposed the new open scheduling stating different levels need to be scheduled separately. He opposed the new open gym schedule that takes away from pickleball time.

Judy Jones stated she was drawn here by the Senior Center and friendliness of the city in general. The pickleball community is large and active and would like to partner with the Recreation Department. She requested pickleball users be able to play during open gym time.

Stacy Lynne discussed wayfinding signs in the downtown area which she stated are not reliable because they use minutes as a measure of distance and often point in the wrong direction.

● **CITIZEN PARTICIPATION FOLLOW-UP**

Mayor Troxell summarized the citizen comments and thanked the speakers.

Mayor Pro Tem Horak stated a neighborhood meeting was held on the Magnolia and Shields crossing and asked if another meeting could be held with additional notification. He asked when the implementation of the crossing is expected. Martina Wilkinson, Traffic Operations, replied the project is a component of the adopted Bicycle Master Plan and the Magnolia low-stress bicycle network. This crossing would support the safe crossing of Shields for people of all ages and abilities. Wilkinson acknowledge staff has received mixed feedback and stated a meeting is set for later this week to determine if changes are appropriate. The original installation was set for this fall or next spring.

Councilmember Martinez asked about vehicular access to Magnolia Street. Wilkinson replied all vehicle movements from Shields onto Magnolia will continue to be allowed. Access from Magnolia onto Shields is limited to a right turn only.

Mayor Pro Tem Horak suggested staff acquire contact information and speak with concerned residents. Wilkinson replied she would be happy to talk to the speakers and to host another neighborhood meeting.

Mayor Pro Tem Horak asked if a grant is associated with the project. Wilkinson replied she would need to ask FC Moves staff about that detail as they are overseeing the funding.

City Manager Atteberry requested Wilkinson's input on the public outreach that has occurred to date. Wilkinson replied this concept was included in the public outreach that occurred as part of the Bicycle Master Plan, the Old Town Neighborhoods Plan, the Mulberry protected bike lane corridor project, and on its own at a neighborhood meeting a couple weeks ago. She stated FC Moves staff went door-to-door on Magnolia to discuss the loss of parking issue.

Mayor Pro Tem Horak asked if there is a standard notification policy in place for these types of projects. City Manager Atteberry replied in the affirmative and stated he will provide details to Council.

Mayor Troxell requested some perspective on the sport of pickleball and how it is being supported by the City. Bob Adams, Recreation Director, replied the sport has grown extensively in the last five years. Since then, 18 outdoor and eight indoor permanent courts have been added. As much pickleball time has been included in the schedule as possible; however, the open gym time is dedicated for the general public to use the space. The Recreation Supervisor has the discretion to set up a pickleball net during that time; however, another group needing to use the gym during open gym would take precedent.

Adams acknowledged the pickleball use has outgrown the Senior Center space, particularly in winter months. There will be a need to look at other indoor facilities in the future. Research of other municipalities resulted in the new scheduling changes, which were not received as well as staff had hoped; therefore, meetings with the pickleball group have occurred and a pickleball club is being formed to consolidate their voice. Adams noted Park Planning has put forth budget offers for additional outdoor courts.

Councilmember Martinez asked about Mr. Ehlert's comments related to mixing player levels and that potentially causing safety issues. Adams stated beginner level play time has been reintroduced and staff feels intermediate and advanced players can self-regulate themselves.

City Manager Atteberry asked Adams if he has spoken with the faith community regarding the use of indoor gymnasiums. Adams replied he has not personally had any conversations; however, there are churches with those spaces in the community.

City Manager Atteberry also suggested talking with Poudre School District regarding after hours use. Adams replied he has talked with the School District and they have the same issues with space during the winter months.

Mayor Pro Tem Horak requested clarification on the precedent for other users during open gym time. Adams replied pickleball is already set up on three courts and the space is advertised as being open; therefore, recreation staff is attempting to protect that for special needs and other users. Pickleball users can expand into that space with the approval of the Recreation Supervisor.

Mayor Troxell asked about the wayfinding signs mentioned by Ms. Lynne. He noted the signs are temporary and were created in partnership with the Downtown Development Authority and Visit Fort Collins. City Manager Atteberry replied the signs are meant to be temporary and noted any spelling errors will be corrected.

Councilmember Summers agreed the use of blocks rather than minutes as markers may be more appropriate for the wayfinding signs.

Mayor Pro Tem Horak requested additional information regarding the temporary nature of the signs and how they are monitored to ensure accuracy.

- **CONSENT CALENDAR**

Citizens withdrew Item Nos. 6, *Second Reading of Ordinance No. 111, 2018 Authorizing the Lease of, and the Grant of an Option to Purchase City-Owned Property at 317 and 321 South Sherwood Street to Faith Family Hospitality of Fort Collins, Inc.*, and 13, *Resolution 2018-080 Finding Substantial Compliance and Initiating Annexation Proceedings for the Sanctuary on the Green Annexation*, from the Consent Agenda.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Stephens, to adopt and approve all items not withdrawn from the Consent Agenda.

RESULT:	CONSENT AGENDA ADOPTED [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Kristin Stephens, District 4
AYES:	Martinez, Stephens, Summers, Troxell, Cunniff, Horak
ABSENT:	Overbeck

1. **Second Reading of Ordinance No. 105, 2018, Appropriating Prior Year Reserves in the Cultural Services and Facilities Fund for Lincoln Center Improvements. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 21, 2018, appropriates funds set aside by the Lincoln Center into reserves to replace aisle lighting in the Performance Hall as part of the seat replacement project.

2. **Second Reading of Ordinance No. 106, 2018, Appropriating Unanticipated Grant Revenue from the Colorado Energy Office in the Light and Power Fund for the HOME Efficiency Loan Program/On-Bill Financing Program. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 21, 2018, appropriates \$200,000 in grant revenues from the Colorado Energy Office in the Fort Collins Utilities Light and Power fund for the purposes of developing and capitalizing Utilities On-Bill Financing (OBF) program. The program will provide utility bill serviced loans for energy efficiency and renewable energy, with a focus on efficiency in rental properties for low- to moderate-income households.

3. **Second Reading of Ordinance No. 107, 2018, Amending Chapter 23 of the Code of the City of Fort Collins Regarding Model Rocketry. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 21, 2018, amends City Code to allow model rocketry activities under a permit issued by the Parks Department. Model rocketry is currently allowed by City Code in areas that are signed for the use. There are no areas currently signed for this use. This change would allow for the development of an internal policy for the safe and appropriate use of model rockets in the parks system and issuance of a permit for that use.

4. **Second Reading of Ordinance No. 108, 2018, Amending Chapter 12, Article X, of the Code of the City of Fort Collins to Remove the Small Scale Source Definition and Warning Requirements for Fugitive Dust. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 21, 2018, amends the City Code, Chapter 12, Article X, to remove small source written warning requirements for violations, and instead applies the City's standard citation procedure for civil infractions, which allows the option for written warnings. This simplifies education, outreach and enforcement related to fugitive dust.

5. **Items Relating to Adequate Public Facilities for Transportation. (Adopted)**

A. Second Reading of Ordinance No. 109, 2018, Amending Article 3 of the Land Use Code Regarding Adequate Public Facilities Standards for Transportation Levels of Service.

B. Second Reading of Ordinance No. 110, 2018, Amending Larimer County Urban Area Street Standards Related to Land Use Code Adequate Public Facilities Requirements.

These Ordinances, unanimously adopted on First Reading on August 21, 2018, amends the Land Use Code ("LUC") and the Larimer County Urban Area Street Standards ("LCUASS") as they relate to Adequate Public Facilities ("APF") standards for transportation levels of service. The changes will make the standards current and consistent and provide for Alternative Mitigation Strategies in cases where typical improvements are not feasible, not proportional to impact, or not desired by the City.

6. **Second Reading of Ordinance No. 112, 2018, Declaring Certain City-Owned Property on North College Avenue as Road Right-of-Way for Suniga Road. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 21, 2018, declares property owned by the City as road right-of-way to be constructed and used for Suniga Road at College Avenue. The City owns a parcel of property located at 1000 North College Avenue. In 2018, the City Engineering Department designed improvements for the Suniga Road and College Avenue connection across the City's property. The project will construct a new arterial roadway between College Avenue and Blondel Street. Improvements include construction of a complete arterial street which includes 4 travel lanes, protected bike lanes, landscaped parkways, medians, sidewalks and utility improvements. This Ordinance officially declares this City owned parcel needed for Suniga Road as road right-of-way.

7. **Second Reading of Ordinance No. 113, 2018, Amending Chapter 7 of the Code of the City of Fort Collins to Amend Requirements and Procedures Related to Campaigns and Campaign Finance in City Election. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 21, 2018, amends the City's election campaign code provisions that will raise the threshold requirement for reporting of independent expenditures, ensure that the campaign violation complaint process applies to reporting of independent expenditures, and require "paid for by" disclaimers on campaign communications. There are also various clean-up items that provide changes for added clarity and to reconcile conflicts created by the proposed amendments. Minor edits have been made to the Ordinance between First and Second Reading to refine language in three places as shown in the Ordinance.

8. **Second Reading of Ordinance No. 114, 2018, Amending Article 3 of the Land Use Code Regarding Buffering Requirements for Development in Relation to Oil and Gas Facility Locations. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 21, 2018, amends the Land Use Code related to buffering new development from existing oil and gas wells. The amendments include the following Code changes:

1. Increase buffer for residential development near existing oil and gas operations from 350 feet to 500 feet.
2. Add a new 1000-foot buffer requirement for high occupancy buildings near oil and gas operations.
3. Allow a reduced setback (150 feet minimum) near plugged and abandoned wells if specific requirements and performance standards are met.
4. Create an additional means of disclosure to future property owners as part of any required recorded declaration.

9. **First Reading of Ordinance No. 115, 2018, Amending Section 2-636 of the Code of the City of Fort Collins to Conform to Recently Amended Section 7-133 (Adopted)**

The purpose of this item is to amend Section 2-636 of the City Code relating to financial disclosure statements to conform the language to Section 7-133 of the City Code relating to the timely filing of financial disclosure statements by candidates for a mayoral or Council seat.

10. **First Reading of Ordinance No. 116, 2018, Amending Chapter 26 of the Code of the City of Fort Collins to Extend Tiered Electric Rates Into 2019 for Customers Enrolled in Manually-Read Metering Services. (Adopted)**

The purpose of this item is to request an extension of the tiered Residential Energy Rate for a subset of customers who have manually-read electric meters. City Electric Utility personnel have just learned that the expected order of electric meters necessary to implement the time-of-day (TOD) rate for customers who have manually-read meters will not arrive in time to appropriately implement the TOD rate for those customers on schedule. Implementation of the TOD rate for all other applicable customer

classes starts on October 1, 2018. This request applies to fewer than 200 customers who have requested manually-read meters at this point.

11. **First Reading of Ordinance No. 117, 2018, Authorizing the Sale of City-Owned Property at 4030 South Taft Hill Road, and the Dedication of Right-of-Way and Easements on Such Property to Larimer County. (Adopted)**

The purpose of this item is to obtain authorization from City Council to sell 1.15 acres of City-owned property located at 4030 South Taft Hill Road, at a sales price of no less than \$165,000, and convey right-of-way and easements to Larimer County through deeds of dedication.

12. **Resolution 2018-81 Setting the Dates of the Public Hearings on the 2019 and 2020 Proposed City of Fort Collins Biennial Budget. (Adopted)**

The purpose of this item is to set two public hearing dates on the proposed 2019-2020 biennial budget. The City Charter requires that the City Council set a date for a public hearing on the proposed budget. This Resolution sets that hearing date for the regular Council meeting of September 18, 2018. In an effort to receive further public input, this Resolution sets an additional hearing date for the October 2, 2018, regular Council meeting. The Resolution also directs the City Clerk to publish notice of these two hearings.

13. **Resolution No. 2018-085 Accepting Advisory Opinion No. 2018-01 of the Ethics Review Board. (Adopted)**

The purpose of this item is to approve Ethics Review Board Opinion 2018-01 responding to a request under "Other Business" at the Council meeting on February 20, 2018, for the Board to discuss whether Councilmembers have conflicts of interest in matters involving: (1) outside bodies they have been appointed to represent the City on; or (2) organizations to which they have donated funds.

● **COUNCILMEMBER REPORTS**

Mayor Pro Tem Horak reported the groundbreaking for the I-25 interim project from Highway 402 to Highway 14 will be September 10 at 9:00 a.m. Construction will continue for the next two and a half to three years but will add a lane in each direction.

Councilmember Summers reported on the kick-off for the whitewater park and the Fortitude 10K race on Labor Day.

Mayor Troxell commended the community on the month's large events: New West Fest, Tour de Fat, Fortitude, and the first CSU football game of the season. He commented on the summer's road work and stated Horsetooth and College should open September 9.

Mayor Pro Tem Horak reported on the Boxelder Regional Stormwater Authority and Platte River Power Authority meetings. He stated the Platte River Board discussed a proposed resolution on the 100% non-carbon goal.

Councilmember Martinez reported on a Downtown Development Authority meeting with well-known Italian artists who created a 3D painting in Firehouse Alley. The installation will ultimately include an interactive projection component.

Mayor Troxell reported on the Northern Colorado Regional Airport's new virtual tower which will enable air traffic control to monitor air traffic remotely.

- **DISCUSSION ITEMS**

14. **Public Hearing and Resolution 2018-082 Approving the Waterfield Metropolitan District Nos. 1 through 3 Consolidated Plan. (Postponed to September 18, 2018)**

The purpose of this item is to consider a Service Plan for the Waterfield Metro District Nos. 1 through 3 (the "Metro Districts"). Thrive Home Builders has submitted a service plan for the Metro Districts to support a proposed development of approximately 500 homes on property generally located at the northwest corner of Vine Drive and Timberline Road. The project will include 50 lots dedicated for affordable housing construction. In addition, the project will deliver all units as US Department of Energy Certified Zero Energy Ready and 10 percent of homes with rooftop solar. Each of the Metro Districts is proposed to have a Mill Levy Cap of 50.00 mills to support the project.

Josh Birks, Economic Health Director, stated the Waterfield project is generally located at the northwest corner of Vine and Timberline. The site was previously platted for about 190 housing units as well as about ten acres of apartment zoning. The current plan includes about 500 units, 50 of which are committed to be affordable.

Birks detailed the metro district funding and stated the service plan complies with the eminent domain debt limitations, dissolution limit, and citizen control components of the model service plan. The service plan allows for \$24 million in debt that would be used to fund in part or in whole various public improvements including grading and stormwater and sanitary sewer connections.

Birks discussed the triple bottom-line analysis of the metro district which addressed economic, social, and environmental impacts. In terms of positive environmental impacts, this consumes less land than traditional development patterns and commits to zero energy ready construction. Positive economic impacts include the construction of a portion of Suniga, the support of the workforce for added housing, and the affordable housing component. A negative economic impact involves the increase in property taxes for the district residents. Positive social impacts include indoor air quality improvements, walkability, and affordable housing. The public benefits to be provided by the Waterfield Metro District range from environmental sustainability to strategic priorities.

Birks discussed questions received at the Leadership Planning Team meeting. Regarding the impact to homeowners and end users of the worst-case scenario, which would be that development is underway, much of the infrastructure has been installed, and the developer has gone bankrupt, Birks stated the metro district and developer are separate entities; therefore, the metro district governance will persist regardless of the success of the developer. Additionally, the metro district will be able to continue to collect taxes and construct infrastructure; however, typically the developer does the construction and seeks reimbursement from the metro district. Birks detailed additional protections for homeowners; they will never be exposed to greater than the mill levy cap and term, which is about 50 mills over 40 years in most of these cases.

Birks stated there is no statutory requirement that the formation of a metro district occur at a particular time in relation to the development review process. The most impactful time-related component of metro district formation is the election cycle as each metro district formation must include a TABOR-compliant election which can only occur in November or May of even years.

Birks stated the tax liability to the average Fort Collins home if it were to have an additional 50 mills is about \$1500, or a 55% increase on an annual basis. The value of that revenue stream, after being discounted 5%, on a per unit basis over 40 years in today's dollars is around \$25,000.

Jack Armstrong asked if the taxes will apply to existing households or just to the new development.

Rich Stave expressed concern about the overall cost to homeowners and questioned the 5% discounting referenced by Birks.

Birks confirmed this would not apply to all citizens of Fort Collins, just those that purchase property in the development. The calculation used to derive a net present value tries to express the concept of the time value of money because of inflation and other factors. The 5% discount rate attempts to place a value on future dollars in today's dollars.

Councilmember Martinez asked if housing will be added as part of the Suniga extension. Birks replied Suniga will bisect the property; therefore, the arterial will be constructed on both sides, making it a public benefit resulting from the project.

Councilmember Martinez requested a definition of a zero-energy ready home. Birks replied it is a standard adopted by the federal government to encourage the construction of more energy-efficient homes.

Councilmember Martinez asked what home value would be considered to be affordable. Birks replied it would follow Housing and Urban Development standards and likely be at the 80% area median income amount.

Councilmember Cunniff asked if the impacts of transportation and other greenhouse components were considered. Birks replied the triple bottom line scan includes a number of questions, some of which do address that aspect. The focus in this case was on the difference between traditional home construction and the proposed construction which increases density and walkability.

Councilmember Cunniff asked about the tax estimate for the affordable housing units at 80% AMI. City Manager Atteberry replied the approximate housing price for an affordable 3-bedroom unit is \$205,000.

Councilmember Cunniff stated the additional tax on the affordable units would then be \$750 annually. Birks replied that assumes the affordable housing is not constructed in a manner where that tax liability is sheltered from the recipient. A land trust could take on that component of the cost or a greater subsidy up front could help to adjust the sales price down.

Councilmember Cunniff asked what tool will be used to ensure the units remain affordable. Birks replied the service plan does not allow any mill levy to be collected beyond the operational mill levy and no debt can be issued until an intergovernmental agreement or development agreement securing the public benefits is in place.

Councilmember Cunniff asked if there are any recent examples of successful ownership of 80% AMI units. Birks replied he is unaware of that answer; however, this builder has constructed at 80% AMI in other Front Range communities.

Councilmember Cunniff asked if this assumes the 50 mill assessment ends if the debt is paid off before 40 years. Birks replied the service plan requires that 40 of the 50 mills be used only to service debt and allows for up to 40 years to pay the debt, which is the time assumed by the model.

Councilmember Cunniff asked if taxes paid will be based on the increased values of the homes over time. Birks replied in the affirmative.

Councilmember Cunniff asked if this would then pay debt down further. Birks replied most metro district bonds are issued recognizing property values will increase and are therefore revenue bonds issued with escalating payments over time.

Deputy City Attorney John Duvall noted the maximum term for the debt mill levy is 40 years from the approval of the service plan, not from the issuance of the debt.

Councilmember Cunniff asked if there is a dollar cap on the mill levy. Birks replied the end users duly elected to the board can choose to continue to collect the 10 mills for operating, they can do that.

Councilmember Cunniff asked if homeowner's associations and related dues will also be part of these developments. Birks replied that will be dependent on the development; however, there has been a trend toward using metro districts as opposed to HOA's as they are more reliable.

Councilmember Cunniff asked if the metro district mills will cover yard maintenance expected by townhome owners. Birks replied he did not have the answer to that question; however, those types of maintenance will be covered by some type of fee.

Mayor Troxell asked about if the net zero energy standard reduces the requirements for electric distribution service from a municipal standpoint. Birks replied he is not prepared to respond to that question; however, the objective is to lower the overall consumption of electricity within the project. He stated he could not speak to whether the electric service provided to each home will be decreased.

Councilmember Martinez asked if the mill assessment will be obvious to home buyers up front. Birks replied everything possible is being done to make home buyers aware as early in the process as possible.

Councilmember Martinez asked if the homes will be electric or gas. Birks replied that mix will be up to the developer. Gene Meyers, Thrive Home Builders, replied those decisions have yet to be made; however, the National Renewable Energy Lab has been engaged for the project to work with Fort Collins Utilities to evaluate grid effects, peak usage, and a number of other strategies.

Councilmember Martinez made a motion, seconded by Councilmember Summers, to adopt Resolution 2018-082.

Mayor Pro Tem Horak asked Birks if he had seen the memo from Dale Adamy. Birks replied in the negative. Mayor Pro Tem Horak stated his concern was that enough information on these three plans was not easily available on the website and the Economic Advisory Commission was the only board or commission that looked at the item. Birks replied the Economic Advisory Commission looked at the policy that was adopted two weeks ago; however, there was no time in the schedule to allow these service plans to be put before boards and commissions.

Mayor Pro Tem Horak asked if these items will not make the timeline to be on the November election if this gets postponed. Birks replied consideration of these items could be delayed to the

next regular meeting on September 18 and still have sufficient time to make the election; however, that may or may not allow enough time to engage with sufficient boards.

Mayor Pro Tem Horak expressed concern this has not gone through a due process and stated he would support a postponement.

Councilmember Cunniff stated he could not support this item at this point stating the entire process has been driven by the November election timeline. He expressed concern home buyers, particularly first-time home buyers, would not be made aware of the mill levy. Some of the improvements, such as rooftop solar, could potentially be completed without a metro district. He would likely oppose the items with or without a postponement.

Councilmember Summers asked what kind of process the developers went through to determine the viability of using metro district financing in this part of the city. Birks replied there are 1,643 metro districts in Colorado, largely concentrated in the Front Range, and yet Fort Collins has yet to see a metro district used to support residential development. Developers consider whether projects are feasible based on metro district financing, and this is the case with Waterfield.

Councilmember Stephens questioned how proposed units will remain affordable and expressed concern only a few affordable units will be part of the project. She was willing to postpone the item to acquire more answers; however, she is opposed at this point.

Birks stated the next available election would be November 2019 and that postponement would have significant implications in terms of whether the development's evaluation would move forward.

Mayor Pro Tem Horak stated the benefits to citizens of this method over other methods should be better quantified. Birks replied those benefits deal with electricity consumption reduction and the spillover effect to greenhouse gases, and the ability to gain affordable housing units.

Deputy City Manager Mihelich stated he would summarize the benefits of the metro district to existing tax payers as quality of development and the opportunity to have a different type of development. Staff can specifically outline the benefits of the metro district to existing citizens for each of these developments over the next two weeks. It is also incumbent upon staff to ask each of the developers what would change as part of the developments without the metro districts.

Councilmember Cunniff stated the appropriate comparison for these developments should be to the Land Use Code standards. He stated he would like to see a more detailed analysis based on historic assessed valuation increases over the next two weeks. He requested additional information on affordable housing policies that will be used to maintain affordability as well.

Birks stated the adoption of a service plan can include conditions, some of which could address affordable housing.

Councilmember Cunniff stated it may be fairer to the developer to complete the research and plan for a November 2019 election. Birks discussed previously adopted shell districts in Fort Collins which allowed for a TABOR election to occur, but deferred quite a bit of the underlying information within the service plan. He stated that option could potentially be considered for this if the applicants are comfortable with that approach.

Deputy City Manager Mihelich noted there is a board and commission super-issue meeting this week; staff will attempt to provide a presentation at that time. He supported the shell district idea and supported taking time to craft conditions per Council's discussion.

Mayor Pro Tem Horak asked how public improvements would have been guaranteed had this discussion not occurred. Duvall replied the projects cannot move forward with issuing debt or imposing their mill levy until development plans providing public benefits and an IGA are in place.

Mayor Pro Tem Horak supported the idea of Council working with staff to provide conditions rather than the Planning and Zoning Board. He suggested the policy examine that as well.

City Attorney Daggett stated if Council wishes to approve a shell plan which would allow the November election to move forward while leaving time for negotiations of conditions and plan development, it would need to postpone action on this Resolution for two weeks to allow staff to work on a modified service plan. Given notice requirements, tonight's action would need to be a postponement to a set date unless Council would prefer the process start over from the beginning.

Councilmember Martinez made a motion, seconded by Councilmember Summers, to postpone consideration of Resolution 2018-082 to September 18, 2018.

Councilmember Cunniff requested staff provide an adjustment on net present value calculation in addition to the shell plan.

RESULT:	RESOLUTION 2018-082 POSTPONED TO SEPTEMBER 18, 2018 [UNANIMOUS]
MOVER:	Ray Martinez, District 2
SECONDER:	Ken Summers, District 3
AYES:	Martinez, Stephens, Summers, Troxell, Cunniff, Horak
ABSENT:	Overbeck

(Secretary's Note: The Council took a brief recess at this point in the meeting.)

15. Public Hearing and Resolution 2018-083 Approving the Montava Metropolitan District Nos. 1 through 7 Consolidated Service Plan. (Postponed to September 18, 2018)

The purpose of this item is to consider a metro district service plan for the Montava Development. The developer of the proposed Montava Development has submitted a service plan to support a proposed development of approximately 988.5 acres located in the northeast portion of the community near the existing AB/InBev Brewery. The development is anticipated to include 2,000 single family homes, 2,400 multi-family units, 200,000 to 400,000 square feet of office, 88,900 square feet of retail. The project intends to provide 10 percent of housing units in a mix of for rent and for sale affordable housing. In addition, the project will deliver all units as US Department of Energy Certified Zero Energy Ready. A Metro District with a mill levy cap of 60.00 mills has been proposed to support the project.

Josh Birks, Economic Health Director, stated Montava is anticipated to be a 25-year multi-phase project in the northeast part of Fort Collins. The project is planned to provide approximately 4,400 residential units. The service plan suggests the developer would like to provide 10% affordable units, but that is not a formal commitment as a public benefit. Birks stated Montava is using the Planning Unit Development development review process which culminates in consideration by Council.

Birks stated Montava is requesting 60 mills, which exceeds the policy cap. A non-potable irrigation system and a number of urban agriculture components are the main factors in the extra 20 mills for operating income.

Birks detailed triple bottom line analyses of the project and metro district. Scenario A considers the project against its current use as vacant agricultural land while scenario B considers the project against Code-compliant largely residential development. He stated the economic and social outcomes are relatively consistent across both scenarios; however, there is a variance in the environmental category favoring the metro district over a traditional development.

Birks noted Montava has yet to submit a plan for development review. Staff recommends adoption of the Resolution.

Eric Sutherland stated Council is creating governments that will have authority over homeowners and elements of taxation in this situation. He stated the service plan language is deficient in terms of creating an absolute guarantee of enforceability of the regional mill levies.

Rich Stave questioned the purpose of metro districts and asked who guarantees the funding bonds. He also questioned who will be providing the utilities for the development.

Birks stated the bonds are revenue bonds which are secured by the metro district revenue generated from the project and within the boundaries of the metro district.

Councilmember Cunniff stated he would like the same information as he requested for the previous item and noted this metro district contemplates a 20-mill ongoing service debt load.

Councilmember Martinez made a motion, seconded by Councilmember Summers, to postpone consideration of Resolution 2018-083 to September 18, 2018.

Mayor Troxell stated the development is attempting to attain some goals for the community, including urban agriculture, affordable housing, and innovative construction.

Councilmember Stephens commended the use of housing variety in the project and asked if there is any commitment to affordable housing in the project. Birks replied the service plan makes commitments to the public benefits and due to this project being in such early planning stages and having a long timeline, those specifics have yet to be outlined. He stated the applicant has made it clear their strong desire is to provide a minimum of 10% affordable units.

Councilmember Cunniff requested a more detailed timeline and certification requested by Mr. Sutherland be provided prior to September 18th.

Birks asked if Council desires to see the plan come back as a shell plan in two weeks followed by a process in which Council would engage in the full service plan. Mayor Troxell replied in the affirmative.

Birks stated the service plan, as written, does not necessarily create a shell plan, but hinges upon Council's consideration of a PUD. Councilmember Cunniff stated he would like to see a consistent process for metro districts that includes Council examining the service plans.

RESULT:	RESOLUTION 2018-083 POSTPONED TO SEPTEMBER 18, 2018 [UNANIMOUS]
MOVER:	Ray Martinez, District 2
SECONDER:	Ken Summers, District 3
AYES:	Martinez, Stephens, Summers, Troxell, Cunniff, Horak
ABSENT:	Overbeck

16. **Resolution 2018-084 Approving the Consolidated Service Plan for Waters' Edge Metropolitan District Nos. 1-5. (Postponed to September 18, 2018)**

The purpose of this item is for Council to consider for adoption the Consolidated Service Plan for the Waters' Edge Metropolitan District Nos. 1-5 (the "Metro Districts"). Generally, located between Douglas Road and Richards Lake Road on either side of Turnberry Road.

Tom Leeson, Community Development and Neighborhood Services Director, stated this project is further along in the development review process than the previous two proposals. The Waters' Edge Metro District would service a 235-acre, 847-unit project that is divided into two phases. The first phase has an approved development plan and executed development agreement. The second phase has yet to be submitted.

Leeson stated staff is recommending that \$3.4 million of the total bond go toward basic infrastructure to offset some of the costs associated with the affordable housing planned to be part of the second phase. The project is also requesting ongoing operations and maintenance funding of 10 mills in perpetuity and includes one managing district and four financing districts.

Leeson reviewed the triple bottom line scan which showed environmental improvements in terms of the rehabilitation of the Windsor 8 ditch, the reduction of potable water use, and the sustainability center. Economic benefits include funding of regional road improvements and social benefits include expanded trails, open space and increased promotion of social interaction. Negative impacts include a higher cost of living.

Leeson noted the approved development agreement for phase one would need to be amended to assure the public benefits.

Bill Swalling, Waters' Edge, stated the goal of this project is to keep seniors in their homes as long as possible in order to save them monthly rent at a care facility. He stated this is an important part of social sustainability. He stated the non-potable water will make the open space affordable.

David Sinkey, Boulder Creek Neighborhoods, discussed other active adult communities he has developed and stated almost all of them have metro districts to enable the communities to have proper amenities. He stated buyers are made completely aware of their involvement in a metro district.

Joe Knopinski reiterated this project is much further along in the development review process than the other projects considered. He stated the project has an agreement with ELCO to provide a non-potable water system and they will provide the same agreement with the City in a revised development agreement. He stated this development will have a single governing structure and will not have an HOA and noted the average home will see a \$30 per month cost as its 10-mill portion.

Councilmember Summers asked if the language stating the service plan does not guarantee the delivery of public benefits is current. Leeson replied the public benefits will need to be enumerated in a development agreement or intergovernmental agreement.

Councilmember Summers asked if the homes will be built with wider door frames, grab bars, and other age-appropriate items. Mr. Sinkey replied there are many features appropriate for aging-in-place and various housing types focusing on ranch-style structures.

Councilmember Cunniff noted this service plan includes the same language as the first service plan contemplated, allowing the Board to raise the mill levy to the full 50 if it meets the service plan.

Councilmember Martinez made a motion, seconded by Councilmember Summers, to postpone consideration of Resolution 2018-084 to September 18, 2018.

RESULT:	RESOLUTION 2018-084 POSTPONED TO SEPTEMBER 18, 2018 [UNANIMOUS]
MOVER:	Ray Martinez, District 2
SECONDER:	Ken Summers, District 3
AYES:	Martinez, Stephens, Summers, Troxell, Cunniff, Horak
ABSENT:	Overbeck

● **CONSIDERATION OF CITIZEN-PULLED CONSENT ITEMS**

17. **Second Reading of Ordinance No. 111, 2018 Authorizing the Lease of, and the Grant of an Option to Purchase City-Owned Property at 317 and 321 South Sherwood Street to Faith Family Hospitality of Fort Collins, Inc. (Adopted)**

This Ordinance, unanimously adopted on First Reading on August 2018, obtains approval for a lease of City-owned property located at 317-321 South Sherwood to the non-profit corporation, Faith Family Hospitality of Fort Collins, Inc., a Colorado nonprofit corporation (FFH). FFH currently provides three core programs including case management, day center and an overnight shelter for families experiencing homelessness in Fort Collins. This facility will allow FFH to expand its program to include transitional housing. FFH is requesting a less than market lease rate of \$25 per month for a period of up to 25 years, including an option to purchase said property between the third year and fifteenth year of the lease at a purchase price of \$700,000. This purchase price was supported by the Council Finance Committee.

Rich Stave stated he did not understand the proposal in terms of the financial aspects. He questioned who would be responsible for utilities, maintenance, and operations costs.

Scott Elder stated this proposal provides transitional housing allowing homeless families to become more self-sufficient.

Annette Zacharias, Faith Family Hospitality Executive Director, stated this project would serve seven additional families. The property has been vacant for six years and discussed the funding plan for the project. She stated floodplain and hazmat issues are being addressed with various in-kind and cash donations.

Deputy City Manager Mihelich stated this is a non-traditional lease as the transition center provides a large community benefit.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Stephens, to adopt Ordinance No. 111, 2018, on Second Reading.

Councilmember Cunniff noted the Code provides a specific exemption for selling a property at less than fair market value if it meets a specific public need.

Mayor Pro Tem Horak noted the property was previously used by Crossroads Safehouse and the neighborhood supports the use.

Councilmember Stephens thanked Ms. Zacharias and the faith communities that have helped host families.

Mayor Troxell stated he would support the motion and noted this project is very much in line with community social sustainability objectives.

Councilmember Martinez commended Ms. Zacharias and staff on their work.

City Manager Atteberry stated this is a good example of a public-private partnership.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Kristin Stephens, District 4
AYES:	Martinez, Stephens, Summers, Troxell, Cunniff, Horak
ABSENT:	Overbeck

18. Resolution 2018-080 Finding Substantial Compliance and Initiating Annexation Proceedings for the Sanctuary on the Green Annexation. (Adopted)

The purpose of this item is to annex the Sanctuary on the Green Annexation. The applicant, Solitaire Homes, has submitted a written petition requesting annexation of 16.98 acres. The site is 325 North Taft Hill Road and generally located near the northwest corner of North Taft Hill Road and LaPorte Avenue. The site is vacant. The requested zoning for this annexation is L-M-N, Low Density Mixed-Use Neighborhood. The property is located within the Northwest Subarea Plan. In accordance with the Intergovernmental Agreement for the Fort Collins Growth Management Area with Larimer County, the City of Fort Collins agrees to annex land that meets the minimum contiguity requirement. This is a voluntary annexation for the purpose of redeveloping the subject parcel.

Ernest Frank expressed concern there is a lack of compliance with state law in terms of building demolition and asbestos abatement.

Mayor Pro Tem Horak noted, though these points may be correct, they do not have an effect on annexation. City Attorney Daggett replied this Resolution finds substantial compliance for annexation of the property. She stated the annexation of the property will have no impact on past compliance issues or the application of those regulations going forward.

Mayor Pro Tem Horak asked if Mr. Frank's information should be presented to the Planning and Zoning Board. Ted Shepard, Chief Planner, replied that information would best be presented to the Larimer County Building Department as the property was under County control when the buildings were demolished, and it remains under County control. City Manager Atteberry stated he would get that information to the County.

Mayor Pro Tem Horak made a motion, seconded by Councilmember Martinez, to adopt Resolution 2018-080.

Mayor Pro Tem Horak thanked Mr. Frank for bringing this issue to Council's attention.

RESULT:	RESOLUTION 2018-080 ADOPTED [UNANIMOUS]
MOVER:	Gerry Horak, District 6
SECONDER:	Kristin Stephens, District 4
AYES:	Martinez, Stephens, Summers, Troxell, Cunniff, Horak
ABSENT:	Overbeck

● **OTHER BUSINESS**

Councilmember Cunniff stated he has heard concerns about the effect of the Fortitude race on neighborhoods and requested and received Council support for gathering data and examining the process for granting race permits, particularly with regard to helicopter traffic.

Mayor Pro Tem Horak suggested these types of events be vetted by the stadium advisory group. City Manager Atteberry replied he would look into the issue with CSU.

Councilmember Martinez asked if Council would consider bringing back the time-of-use and tiered electric rates for additional evaluation. He suggested caretakers who have individuals with medical needs should be given a rate exception.

Mayor Pro Tem Horak and Councilmember Cunniff supported staff examine that specific concern but opposed reevaluating the rate structure.

Councilmember Summers stated the rate structure should be evaluated as the policy is implemented.

Mayor Pro Tem Horak noted the policy has yet to go into effect and should do so prior to a reevaluation. He suggested staff provide input on when to reevaluate.

Mayor Pro Tem Horak requested an update on West Nile Virus and mosquito spraying. City Manager Atteberry replied Dr. LaBailey, Larimer County Health Department Director, has recommended there are three zones within the Fort Collins corporate boundary which should be sprayed. One of those zones will be sprayed, per City policy.

Mike Calhoon, Parks Director, stated the area that will be sprayed is between Drake and Harmony and between Lemay and Ziegler.

Mayor Pro Tem Horak asked how the information is being distributed to the public. Calhoon replied staff met with County representatives and the plan is to show the existing four quadrant city map with an overlay of the application area on the City's website. He stated press releases, social media announcements, and the Larimer Emergency Telephone Authority reverse calls will begin tomorrow.

Councilmember Cunniff encouraged staff to work with Colorado State or internal IT staff to map vector indices.

City Manager Atteberry discussed the information available on the City's website regarding West Nile Virus and spraying.

● **ADJOURNMENT**

The meeting adjourned at 10:26 PM.



Mayor

ATTEST:


City Clerk

